



## The Child and Adult Care Food Program (CACFP)

### **Viable, Capable and Accountable (VCA)**

#### **Ensuring Effective Use of Tax Payers' Dollars**

#### **What does it mean to be VCA?**

The federal regulations require all participating institutions to be financially **viable**, administratively **capable**, and have internal controls for **accountability**. This is to make sure that tax payers' money is being used effectively for the intended purpose.

Financial viability means that the institution has adequate financial resources to maintain operations, even if there is a disruption in normal income or a delay in CACFP reimbursements. You should be able to document your institution's financial viability through audit reports or financial statements.

Administrative capability means that the institution has enough qualified staff members to meet all CACFP requirements. Also, the institution has management procedures in place to ensure that CACFP requirements are met.

Accountability means that the institution follows sound management and accounting practices. Systems must be in place to ensure fiscal integrity and prevent improper financial activities. In addition, non-profit organizations must have an independent board of directors that has the power to replace the executive director.

#### **What is it important for institutions to be VCA?**

Institutions already participating in the CACFP must continue to be viable, capable and accountable. The State Agency will monitor viability, capability and accountability by requesting updates on program operations and conducting administrative reviews. Institutions that do not demonstrate viability, capability and accountability may be subject to financial penalties or termination from the CACFP.